



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/929,939

08/15/2001

Medha Parthasarathy

176.01

1636

41904

7590

07/13/2007

KEITH R. DERRINGTON

Bracewell & Giuliani LLP

P.O. BOX 61389

Houston, TX 77208

EXAMINER

DASS, HARISH T

ART UNIT

PAPER NUMBER

3693

MAIL DATE

DELIVERY MODE

07/13/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/929,939

Applicant(s)

PARTHASARATHY, MEDHA

Examiner

Harish T. Dass

Art Unit

3693

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 April 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-36, 41-46 and 50-53 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-36, 41-46, 50-53 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of Claims:

Claims 37-40 and 47-49 are canceled.

Response to Arguments

Applicant's arguments filed 04/23/2007 with respect to pending claims (related to new amended limitations) have been considered but are moot in view of the new ground(s) of rejection. Note: These arguments are responded in response to the claims, see bellow.

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-36, 41-46, 50-53 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tengel et al - US 5,940,812 (hereinafter Tengel) in view of Altman et al. (hereinafter Altman – US 6,366,892), and Balson et al. (hereinafter Balson - US 20030033240 A1).

Re. Claims 1 and 19, Tengel discloses accepting borrower data via a computer network from one or more prospective borrowers, where said borrower data includes, the type of

collateral to be used in the loan [Figure 3B; col. 2 lines 34-36], the lender loan attributes (loan terms), maximum and minimum values [Figure 4; see loan attributes (collateral, terms, range, etc.)],

accepting lender data via a computer network from one or more prospective lenders, where said lender data includes, the type of collateral to be used in the loan, the loan terms and their respective range of acceptable values, and what loan terms are negotiable by said prospective lenders [col. 2 lines 58-68; col. 8 lines 1-37– see loan attributes (collateral, terms, etc.)];

comparing said lender data from each said prospective lender to said borrower data from each said prospective borrower [Figure 2 # 210; col. 2 lines 14-23, 45-48];
and

determining when said lender data from a prospective lender matches borrower data from a prospective borrower to identify a user counterpart match (compare), where matching occurs when the values of said lender data equal (match) the values of said borrower data or when said lender data or said borrower data is within the range of acceptable value [col. 2 lines 4-8, 40-51; col. 9 line 34-36 - see best loan].

Tengel does not explicitly disclose the loan terms and their respective range of acceptable values,

what loan terms are negotiable by each prospective borrower,

a type of collateral available, and a type of collateral required. However, mortgage loans with different loan terms, different points and different interest rates are well known (advertised) and it is the borrower(s) who selects loan from different

available loans offered by lenders and *further known collaterals are margins, collateralized bond obligation, and collateralized mortgage obligation.*

Altman disclose a method for automating legal documents particularly for institutional and commercial loans and the loan terms and their respective range of acceptable values, and what loan terms are negotiable by each prospective borrower [see entire document particularly, Figure 2 # 204, col. 1 lines 25-50; col. 5 line 53 to col. 6 line 8; Table 1 for loan attributes, col. 7 lines 21-67, Table 2 (see lender ranking threshold, which means there is range of values from nominal value to threshold); claim 12] to provide customized negotiable loan which are provisioned for negotiation based on lender's ranking threshold.

It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengal and include loan terms and their respective range of acceptable values, and what loan terms are negotiable by each prospective borrower, as disclosed by Altman, to provide customized negotiable loan where the borrower selects a loan acceptable to borrower and profitable to lender.

Balson discloses a type of collateral available, and a type of collateral required [paragraphs 4-6, 9, 37, 217-218 (see "collateral can be in the form of cash, securities, guarantees, ... pledged assets... magnitude of collateral required"]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengal and Altman and include a type of collateral available, and a type of collateral required, as disclosed by Balson, to match the collateral

Art Unit: 3693

requirement against users pledged assets and evaluate adequate collateral to form binding contract.

Re. Claims 2 and 20, Tengal discloses the step of storing said borrower data [Figure 2 # 206; col. 2 line 38-40].

Re. Claims 3 and 21, Tengal discloses 21. the step of storing said lender data [Figure 2 # 202; col. 2 lines 42-46].

Re. Claims 4 and 22, Tengal discloses 22. The method of claim 19, further comprising the step of facilitating communication between each said prospective borrower with one or more of said prospective lenders whose lender data matches with the borrower data of said prospective borrower, wherein said communication includes loan application negotiation, and completion of the loan application process [Figure 1; col. 3 line 20-27; col. 4 lines 57-65; col. 7 line 3-5]. *Balson disclose facilitating direct communication (customer-to-customer negotiation without the intervention) [paragraph 276]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengal and Altman and include facilitating direct communication, as disclosed by Balson, to provide facilities for bi-lateral negotiation.*

Re. Claims 5 and 23, Tengal discloses the step of facilitating communication between each said prospective lender with one or more of said prospective borrowers whose

Art Unit: 3693

borrower data matches with the lender data of said prospective lender, wherein said communication includes loan application negotiation, and completion of the loan application process [Figures 1, 5; col. 3 line 20-27; col. 4 lines 57-65].

Re. Claims 6 and 24, transferring loan funds from said prospective lender to said prospective borrower is inherent in the disclosure of Tengel.

Re. Claims 9 and 27, Tengel discloses the step of transmitting counterpart loan data to each user whose respective data results in a user counterpart match [col. 10 line 66 to col. 11 line 10].

Re. Claims 11 and 29, Tengel discloses evaluating collateral the availability and value of the offered by said prospective borrower [col. 6 lines 25-40].

Re. Claims 41 and 42, , Tengel discloses wherein said loan is selected from the group consisting of capital, equities, or debt [col. 5 lines 20-28].

Re. Claims 43 and 44, , Tengel matching is selected from the group consisting of an auction and reverse action model, a negotiation model, a catalogue aggregation model, and a buyer aggregation model [Abstract; col. 1 lines 7-12; col. 2 lines 25-51].

Re. Claims 50-51, Tengel discloses storing match data [col. 7 lines 39-49].

Re. Claims 7-8 and 25-26, Tengel implicitly discloses the transferring collateral, escrowing the collateral and returning the collateral to borrower, and loan default. Tengel or Altman does not explicitly disclose transferring said collateral from said prospective borrower to a user collateral account, and escrowing said collateral and returning said collateral to said prospective borrower upon expiration of the loan, and in the event of a loan default alternatively forwarding said collateral to said prospective lender. However, real estate transaction, purchasing property, financing the purchase, closing property, default on loan, foreclosure and transferring said collateral from said prospective borrower to a user collateral account, and escrowing said collateral and returning said collateral to said prospective borrower upon expiration of the loan, and alternatively forwarding said collateral to said prospective lender in the event of a loan default are well-known in United States. For example, when the closing is done the closing agent forwards to the lender (agent) the title of the property and borrower's down payment to the lender's agent. Similarly, in an event the borrower defaults on the loan, by legal processing the collateral goes to the lender. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengel and Altman to include transferring said collateral from said prospective borrower to a user collateral account, and escrowing said collateral and returning said collateral to said prospective borrower upon expiration of the loan, and

Art Unit: 3693

alternatively forwarding said collateral to said prospective lender in the event of a loan default to comply with legal aspect of the loan payment and judgments.

Re. Claims 10 and 28, Tengel or Altman does not explicitly disclose the step of suspending the matching analysis of the loan data pertaining to a user upon request by the said user. However, this is well known. For example, the borrower does not want to pursue the loan further or places the application on hold, he/she can call the agent to suspend the process. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengel and Altman and include a step of suspending the matching analysis of the loan data pertaining to a user upon request by the said user to allow the system halt the process and minimize the processing loss to the operator.

Re. Claims 12 and 30, Tengel discloses evaluating the value of said collateral [col. 6 lines 25-40].

Re. Claims 13, 15, 31 and 33, Tengel discloses receiving a collateral value requirement as agreed to by said lender and said borrower [col. 6 line 25-41]. Tengel or Altman does not explicitly disclose requesting said borrower to deposit funds to replenish the reduction in said collateral value below said collateral value requirement. However, property buyers know this step in United State. For example, before a closing a property, the borrower get a commitment from lender (bank) for certain amount of loan

Art Unit: 3693

(based on the appraised value of property), in event the borrower does not qualify for full amount purchasing price of the property, the borrower has to come-up with down payment which is the difference of the commitment by the lender and the purchase price and additionally add money if tax and other escrow are applicable. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengel and Altman and include requesting said borrower to deposit funds to replenish the reduction in said collateral value below said collateral value requirement to make the property purchase closing possible when collateral is lower than lender's requirement.

Re. Claims 14 and 32, Tengel discloses informing said counterparts if said collateral value is less than said collateral value requirement [col. 6 line 25-41].

Re. Claims 16 and 34, Tengel or Altman does not explicitly disclose receiving loan payments from said borrower and transferring funds equal to said loan payments to said lender. However, this step is well-known to homeowner whose mortgage is collected by the third party. For example, LoanCare Co. of Virginia is collecting money for me and forward is the original lender. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengel and Altman and include a third party collector to receiving loan payments from said borrower and transferring funds equal to said loan payments to said lender, which will reduce the

collecting cost of the receivable to the original company.

Re. Claim 17-18 and 35-36, Tengal discloses delinquency, foreclosure, bankruptcy or the borrower. Tengal or Altman does not explicitly disclose foreclosing on the loan upon the request from one or more counterparts, and matching the counterparts of the foreclosed loan with other counterparts. However, loss of mitigation is well-known where the counterparties review the loan(s) and decide how to resolve the default in loans, if the parties decide to foreclose the property, the lending parties has to be informed and get part of the foreclosed proceeding according to the contracts. For example, the primary lender has to get his money first and remaining is divided between other lender (such as secondary mortgage, equity loan, etc. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengal and Altman and include foreclosing on the loan upon the request from one or more counterparts, and matching the counterparts of the foreclosed loan with other counterparts in order to divide the proceeding of the foreclosing according to the law and agreement between the parties.

Re. Claim 45-46, Tengal or Altman does not explicitly disclose querying said matched borrower and said matched lender for a rollover loan on the same terms or on new terms. However, refinancing and adjustable terms are well-known where the borrower negotiates for better terms. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengal and

Altman and include rollover or new term agreement to provide the borrower a chance to stay with the same lender whom he/she knows and has trade history in oppose to going to new unknown lender.

Re. Claims 52-53, Tengel or Altman does not explicitly disclose monitoring when loan proceeds are due, receiving said loan proceeds into an escrow account and transferring said loan proceeds to a lender. However, home buying, closing and monitoring when loan proceeds are due, receiving said loan proceeds into an escrow account and transferring said loan proceeds to a lender are will-known to the homeowner, where monthly they get notice of mortgage payment (loan statement) form loan management company and the upon the monthly payment the loan management company pays the interest on mortgage, portion of principal, and taxes. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Tengel and Altman and include monitoring when loan proceeds are due, receiving said loan proceeds into an escrow account and transferring said loan proceeds to a lender to make sure the borrower is paying on time and the lender is getting money per contract.

Conclusion

2. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP

§ 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James A. Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3693

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Harish T Dass
Examiner
Art Unit 3693



6/28/07